

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:1854
ANSWERED ON:09.03.2001
CREDIT TO MINORITY COMMUNITY
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Will the Minister of FINANCE be pleased to state:

- (a) whether all the public sector banks have set up a special cell for minorities for facilitating flow of credit to the minority community;
- (b) whether the Government are receiving regular returns from these banks indicating loans/advances provided to minorities;
- (c) if so, the details thereof;
- (d) whether some banks are not sending returns to RBI;
- (e) if so, the reasons therefor; and
- (f) the further steps taken or being taken by Government for easy flow of credit to minorities?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL)

(a) : Yes, Sir.

(b) & (c): Yes, Sir. All Public Sector Banks (PSBs) are sending Half-Yearly returns on advances to minorities regularly to Reserve Bank of India. The PSBs credit outstanding to members of specified minority communities at half year ended March 1997 was at Rs.8643.63 crores which increased to Rs.9858.26 crores in half year ended March 1998 and further increased to Rs.11445.01 crores in the half year ended March 1999.

(d) & (e): Public Sector Banks have been generally submitting the returns in time to Reserve Bank of India on an half yearly basis details regarding Priority Sector advances granted to specified Minority Communities. In case of delay in submission of returns the matter is taken up by RBI with the concerned banks.

(f): With a view to ensuring adequate flow of bank credit to minority communities, instructions are being issued to banks by RBI from time to time.

(i) 41 districts having concentration of minority population have been identified.

(ii) The progress is reviewed regularly at the meetings of the District Consultative Committee & the State Level Bankers' Committee.

(iii) The Lead Bank in each of these 41 districts should have an officer who shall exclusively look after the problems regarding the credit flow to minorities communities, to publicise among the minority communities various programmes of bank credit and also to prepare suitable schemes for benefit of minorities in consultation with Branch Manager.

(iv) The Lead banks in 41 identified districts have been advised to organize Entrepreneur Development Programmes so that the members of these communities to derive benefit of various programmes being financed by banks.

(v) With a view to bring about an attitudinal change in the bank's staff towards minority communities and to have proper perspective and appreciation of the 15 point programme particularly the credit facilities to minorities, banks have been advised to include suitable lecture sessions as part of relevant training programmes like instruction course, programmes on rural lending, financing of priority sectors etc to sensitise the branch manager in this regard